

State of Nebraska
LOAN REPAYMENT PROGRAM
For Rural Health Professionals

Who is eligible?

Physicians, nurse practitioners, and physician assistants practicing the specialties of family practice, general internal medicine, general pediatrics, obstetrics/gynecology, general surgery, and psychiatry are eligible to apply for the Nebraska Loan Repayment Program. Other eligible professions include: dentists specializing in general dentistry, pediatric dentistry, or oral surgery; clinical psychologists, master's level mental health professionals (Licensed Mental Health Practitioners), pharmacists, occupational therapists, and physical therapists. Eligibility is only one of the steps in being accepted into the program. Health professionals must have a non-provisional license and not be in residency training.

NOTE: State of Nebraska employees are not eligible for the Nebraska Loan Repayment Program.

Where are the practice sites?

Practice sites eligible for loan repayment must be located within shortage areas designated for each specialty by the Nebraska Rural Health Advisory Commission. State-designated shortage area listings and maps are posted on the Nebraska Office of Rural Health website at <http://www.dhhs.ne.gov/orh>. A statewide review of these shortage areas is completed every 3 years; however, if an area is experiencing health professionals retiring or resigning the community can request a review by the Rural Health Advisory Commission.

How does the program work?

The Nebraska Loan Repayment Program is a local-state matching fund program to assist local entities serving shortage areas to recruit and retain health professionals. There is a “community participation” application that the local entity must complete and submit and a “health professional” application that the health professionals must complete and submit. Both applications, along with the health professional’s documentation of educational loans must be received by the Rural Health Advisory Commission in order to be considered for the loan repayment program.

The local entity must agree to provide an equal match to state dollars (up to \$20,000 per year for three years.) The local match may come from any source; however, the health professional cannot serve as the local entity and be self-monitored.

Communities and/or local entities must do their own recruiting, using the availability of loan repayment as a recruiting tool. Communities and local entities are urged to develop practice opportunities that offer a group practice environment with call sharing, coverage, and other professional support.

The health professional must agree to a **three-year practice commitment and accept Medicaid patients.** Leaving a shortage area prior to completing the 3-year practice obligation will result in the health professional repaying 125% of the funds received through the program.

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What are the benefits?

Nurse practitioners, physician assistants, master's level mental health professionals, pharmacists, occupational therapists, and physical therapists may receive up to \$20,000 per year (\$10,000 from local funds; \$10,000 from state funds) to be used toward the repayment of commercial or government educational loans. Physicians, dentists, and clinical psychologists may receive up to \$40,000 per year (\$20,000 from local funds; \$20,000 from state funds). The actual amount awarded will depend on the individual practitioner's educational debt load and the availability of state funds. As of January 1, 2009, funds awarded under the Nebraska Loan Repayment Program are no longer included in adjusted gross income for tax purposes (P.L. 111-148, 3/23/10).

Who administers the program?

The Rural Health Advisory Commission approves applications for the Nebraska Loan Repayment Program which is administered by the Nebraska Office of Rural Health. For more information or to request an application, contact the Office of Rural Health at (402) 471-2337 or email marlene.janssen@nebraska.gov.

NORH 07/2011